

AMENDED IN ASSEMBLY APRIL 7, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 997**

**Introduced by Assembly Member Campbell**  
**(Coauthors: Assembly Members Florez and Nakano)**  
(Coauthor: Senator Karnette)

February 25, 1999

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An act to amend Sections 1501, ~~1501.1, 1502.3,~~ 1502.4, 1509.5, 1520, ~~1520.1, and 1526.75~~ *and 1520.1* of the Health and Safety Code, relating to care facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 997, as amended, Campbell. Community care facilities: operations.

Existing law, the California Community Care Facilities Act, provides for the licensure and regulation of community care facilities by the State Department of Social Services. Existing law makes a violation of the act, or the willful or repeated violation of rules or regulations adopted under the act, a misdemeanor.

This bill would declare the intent of the Legislature to develop policies and programs designed to ensure that facilities providing community care are operated in a manner that preserves the health, ~~safety, and quality of life~~ *and safety* of the residents of the neighborhoods and communities in which they are located.

~~The California Community Care Facilities Act provides that a transitional shelter care facility is a short-term (90-day)~~

~~residential care program that is a group care facility that provides 24-hour nonmedical care to persons under 18 years of age and is owned by the county. Existing law requires the licensee of the facility to accept for placement all children referred by the county.~~

~~This bill would except from the requirement that a licensee accept for placement all children referred by the county a case in which the child has demonstrated certain behaviors and it is determined by the licensee that the child is a danger to the health, safety, or security of the staff and other children placed in the home or to the neighborhood and community in which the facility is located.~~

Existing law authorizes a community care facility licensed as a group home for children to accept for placement a child assessed as seriously emotionally disturbed as long as the child does not need inpatient care in a licensed health facility.

This bill would require, in addition, for purposes of this placement authority that the licensee demonstrate that the child when placed will be supervised in a fashion that protects the health, safety, and security of the other children living in the facility and the residents of the neighborhood and community in which the facility is located.

Existing law sets forth procedures for processing applications for a license to operate a community care facility, generally, and specifically if the applicant possesses a current valid license to operate a community care facility at another site.

This bill would add to these procedures a requirement that ~~the department request from the applicable local police or sheriff's department a listing of specific evidence of criminal activity resulting from the operation of all community care facilities operated by the applicant within the prior 2 years~~ *thoroughly review the record of operation of any community care facility being operated or previously operated by the applicant.* The bill would require the department to deny a license to operate an additional community care facility if the department makes certain determinations about the manner in which the applicant's existing community care facility is operated.

Existing law authorizes applicants for a group home facility license to operate during the first 12 months of operation with a provisional license, requires the department to conduct a comprehensive review of the facility after 8 months of operation, and requires the department to determine if a permanent license should be issued by the end of the 12th month of operation.

This bill would require the department to include in its review a ~~listing provided by the applicable~~ *contact with the local police and or sheriff's department of designated evidence of criminal activity resulting from* *for information that may have related to* the operation of the facility and to deny a permanent license if the department makes certain determinations about the manner in which the facility is operated.

Existing law specifies the intent of the Legislature that a group home either have certain representatives on its board of directors or have a community advisory board with a specific membership.

This bill would make this a requirement.

Existing law requires a group home provider to schedule and conduct complete quarterly meetings of its board of directors and requires the board to review and discuss specific reports and any administrative action against the licensee or its employees.

This bill would require that ~~the meetings be held in the community in which the group home is located and would require that members of~~ the community advisory board, ~~if any, be invited to attend all meetings~~ *be notified of the meetings and permitted to attend in person and through conference calls.*

Because it would change the definition of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1501 of the Health and Safety  
2 Code is amended to read:  
3 1501. (a) The Legislature hereby finds and declares  
4 that there is an urgent need to establish a coordinated and  
5 comprehensive statewide service system of quality  
6 community care for mentally ill, developmentally and  
7 physically disabled, and children and adults who require  
8 care or services by a facility or organization issued a  
9 license or special permit pursuant to this chapter.  
10 (b) Therefore, the Legislature declares it is the intent  
11 of the state to develop policies and programs designed to:  
12 (1) insure a level of care and services in the community  
13 that is equal to or better than that provided by the state  
14 hospitals; (2) assure that all people who require them are  
15 provided with the appropriate range of social  
16 rehabilitative, habilitative and treatment services,  
17 including residential and nonresidential programs  
18 tailored to their needs; (3) protect the legal and human  
19 rights of a person in or receiving services from a  
20 community care facility; (4) insure continuity of care  
21 between the medical-health elements and the supportive  
22 care-rehabilitation elements of California's health  
23 systems; (5) insure that facilities providing community  
24 care are adequate, safe and sanitary for the clients of the  
25 facilities and operated in a manner that preserves the  
26 ~~health, safety, and quality of life of the residents of the~~  
27 *health and safety of the residents of the* neighborhoods  
28 and communities in which they are located; (6) assure  
29 that rehabilitative and treatment services are provided at  
30 a reasonable cost; (7) assure that state payments for  
31 community care services are based on a flexible rate  
32 schedule varying according to type and cost of care and  
33 services provided; (8) encourage the utilization of  
34 personnel from state hospitals and the development of  
35 training programs to improve the quality of staff in

1 community care facilities; and (9) insure the quality of  
2 community care facilities by evaluating the care and  
3 services provided and furnishing incentives to upgrade  
4 their quality.

5 ~~SEC. 2. Section 1501.1 of the Health and Safety Code~~  
6 ~~is amended to read:~~

7 ~~1501.1. (a) It is the policy of the state to facilitate the~~  
8 ~~proper placement of every child in residential care~~  
9 ~~facilities where the placement is in the best interests of~~  
10 ~~the child. A county may require placement or licensing~~  
11 ~~agencies, or both placement and licensing agencies, to~~  
12 ~~actively seek out-of-home care facilities capable of~~  
13 ~~meeting the varied needs of the child. Therefore, in~~  
14 ~~placing children in out-of-home care, particular attention~~  
15 ~~should be given to the individual child's needs, the ability~~  
16 ~~of the facility to meet those needs, the needs of other~~  
17 ~~children in the facility, the licensing requirements of the~~  
18 ~~facility as determined by the licensing agency, and the~~  
19 ~~impact of the placement on the family reunification plan.~~

20 ~~(b) Pursuant to this section, children with varying~~  
21 ~~designations and varying needs, except as provided by~~  
22 ~~statute, may be placed in the same facility provided the~~  
23 ~~facility is licensed, complies with all licensing~~  
24 ~~requirements relevant to the protection of the child~~  
25 ~~being placed, as well as the existing children residing in~~  
26 ~~the facility at the time of the proposed placement, and has~~  
27 ~~a special permit, if necessary, to meet the needs of each~~  
28 ~~child so placed.~~

29 ~~(c) Neither the requirement for any license nor any~~  
30 ~~regulation shall restrict the implementation of the~~  
31 ~~provisions of this section. Implementation of this section~~  
32 ~~does not obviate the requirement for a facility to be~~  
33 ~~licensed by the department.~~

34 ~~(d) Pursuant to this section, children with varying~~  
35 ~~designations and varying needs, except as provided by~~  
36 ~~statute, may be placed in the same licensed foster family~~  
37 ~~home or with a foster family agency for subsequent~~  
38 ~~placement in a certified family home. Children with~~  
39 ~~developmental disabilities, mental disorders, or physical~~  
40 ~~disabilities may be placed in licensed foster family homes~~

1 or certified family homes, provided that an appraisal of  
2 the child's needs and the ability of the receiving home to  
3 meet those needs is made jointly by the placement  
4 agency and the licensee in the case of licensed foster  
5 family homes or the placement agency and the foster  
6 family agency in the case of certified family homes, and  
7 is followed by written confirmation prior to placement.  
8 The appraisal shall confirm that the placement poses no  
9 threat to any child in the home or to the health, safety,  
10 and quality of life of the residents of the neighborhood  
11 and community.

12 For purposes of this chapter, the placing of children by  
13 foster family agencies shall be referred to as "subsequent  
14 placement" to distinguish the activity from the placing by  
15 public agencies.

16 SEC. 3. Section 1502.3 of the Health and Safety Code  
17 is amended to read:

18 1502.3. For purposes of this chapter, a "community  
19 care facility," pursuant to Section 1502, includes a  
20 transitional shelter care facility. A "transitional shelter  
21 care facility" means a short-term residential care  
22 program that meets all of the following requirements:

23 (a) It is owned by the county, and operated by the  
24 county or by a private nonprofit organization under  
25 contract to the county.

26 (b) It is a group care facility that provides for 24-hour  
27 nonmedical care of persons, under 18 years of age, who  
28 are in need of personal services, supervision, or assistance  
29 that is essential for sustaining the activities of daily living,  
30 or for the protection of the individual on a short-term  
31 basis. As used in this section, "short term" means up to 90  
32 days from the date of admission.

33 (c) It is for the sole purpose of providing care for  
34 children who have been removed from their homes as a  
35 result of abuse or neglect, or both; for children who have  
36 been adjudged wards of the court; and, for children who  
37 are seriously emotionally disturbed children. For  
38 purposes of this subdivision, "abuse or neglect" means the  
39 same as defined in Section 300 of the Welfare and  
40 Institutions Code. For purposes of this subdivision,

1 ~~“wards of the court” means the same as defined in Section~~  
2 ~~602 of the Welfare and Institutions Code. For purposes of~~  
3 ~~this subdivision, “seriously emotionally disturbed~~  
4 ~~children” means the same as defined in subdivision (a) of~~  
5 ~~Section 5600.3 of the Welfare and Institutions Code.~~

6 ~~(d) It primarily serves children who have previously~~  
7 ~~been placed in a community care facility and are awaiting~~  
8 ~~placement into a different community care facility that~~  
9 ~~is appropriate to their needs. Children residing in~~  
10 ~~transitional shelter care facilities may include children~~  
11 ~~who are very difficult to place in appropriate community~~  
12 ~~care facilities because of factors which may be present in~~  
13 ~~combination, including: threatening, aggressive, suicide,~~  
14 ~~runaway or destructive behaviors and behaviors as~~  
15 ~~defined in Section 5600.3 of the Welfare and Institutions~~  
16 ~~Code.~~

17 ~~(e) Based upon an agreement with the county, the~~  
18 ~~licensee shall agree to accept, for placement into its~~  
19 ~~transitional shelter care program, all children referred by~~  
20 ~~the county, unless the child has demonstrated a~~  
21 ~~significant pattern of threatening, aggressive, suicidal,~~  
22 ~~runaway, or destructive behaviors, or is a seriously~~  
23 ~~emotionally disturbed child or adolescent as defined in~~  
24 ~~paragraph (2) of subdivision (a) of Section 5600.3 of the~~  
25 ~~Welfare and Institutions Code, who is determined by the~~  
26 ~~licensee to be a danger to the health, safety, or security~~  
27 ~~of the staff and other children placed in the home or to~~  
28 ~~the neighborhood and community in which the facility is~~  
29 ~~located.~~

30 ~~(f) The licensee shall not discharge any child without~~  
31 ~~the permission of the county, except when a child:~~

32 ~~(1) Commits an unlawful act and the child must be~~  
33 ~~detained in a juvenile institution.~~

34 ~~(2) Requires either of the following:~~

35 ~~(A) Physical health care in an acute care hospital.~~

36 ~~(B) Mental health services in an acute psychiatric~~  
37 ~~hospital.~~

38 ~~(g) The licensee shall provide a program that is~~  
39 ~~designed to be flexible enough to care for a highly~~

1 ~~variable population size and shall allow for the special~~  
2 ~~needs of sibling groups.~~

3 ~~SEC. 4.—~~

4 SEC. 2. Section 1502.4 of the Health and Safety Code  
5 is amended to read:

6 1502.4. (a) (1) A community care facility licensed as  
7 a group home for children pursuant to this chapter may  
8 accept for placement, and provide care and supervision  
9 to, a child assessed as seriously emotionally disturbed as  
10 long as the child does not need inpatient care in a licensed  
11 health facility and as long as the licensee has  
12 demonstrated that the child when placed will be  
13 supervised in a fashion that protects the health, safety,  
14 and security of the other children living in the facility and  
15 the residents of the neighborhood and community in  
16 which the facility is located.

17 (2) For the purpose of this chapter, the following  
18 definitions shall apply:

19 (A) “Inpatient care in a licensed health facility” means  
20 care and supervision at a level greater than incidental  
21 medical services as specified in Section 1507.

22 (B) “Seriously emotionally disturbed” means the same  
23 as paragraph (2) of subdivision (a) of Section 5600.3 of the  
24 Welfare and Institutions Code.

25 (b) If a child described in subdivision (a) is placed into  
26 a group home program classified at rate classification  
27 level 13 or rate classification level 14 pursuant to Section  
28 11462.01 of the Welfare and Institutions Code, the  
29 licensee shall meet both of the following requirements:

30 (1) The licensee shall agree to accept, for placement  
31 into its group home program, only children who have  
32 been assessed as seriously emotionally disturbed by either  
33 of the following:

34 (A) An interagency placement committee, as  
35 described in Section 4096 of the Welfare and Institutions  
36 Code or by a licensed mental health professional, as  
37 defined in Sections 629 to 633, inclusive, of Title 9 of the  
38 California Code of Regulations.

39 (B) A licensed mental health professional pursuant to  
40 paragraph (3) of subdivision (i), or subdivision (j), of



1 Section 11462.01 of the Welfare and Institutions Code if  
2 the child is privately placed or only county funded.

3 (2) The program is certified by the State Department  
4 of Mental Health, pursuant to Section 4096.5 of the  
5 Welfare and Institutions Code, as a program that provides  
6 mental health treatment services for seriously  
7 emotionally disturbed children.

8 (c) The department shall not evaluate, or have any  
9 responsibility or liability with regard to the evaluation of,  
10 the mental health treatment services provided pursuant  
11 to this section and paragraph (3) of subdivision (f) of  
12 Section 11462.01 of the Welfare and Institutions Code.

13 ~~SEC. 5.—~~

14 SEC. 3. Section 1509.5 of the Health and Safety Code  
15 is amended to read:

16 1509.5. (a) The department and the licensing  
17 agencies with which it contracts for licensing shall review  
18 and make a final determination within 60 days of an  
19 applicant's submission of a complete application on all  
20 applications for a license to operate a community care  
21 facility if the applicant possesses a current valid license to  
22 operate a community care facility at another site.  
23 Applicants shall note on the application, or in a cover  
24 letter to the application, that they possess a current valid  
25 license at another site, and the number of that license.

26 (b) (1) The department shall request a fire safety  
27 clearance from the appropriate fire marshal within five  
28 days of receipt of an application described in subdivision  
29 (a).

30 ~~(2) (A) Within 10 days of receiving an application~~  
31 ~~described in subdivision (a), the department shall~~  
32 ~~request from the applicable local police or sheriff's~~  
33 ~~department a listing of the number and type of police~~  
34 ~~responses, any arrests of clients or staff, and any other~~  
35 ~~evidence of criminal activity resulting from the operation~~  
36 ~~of all community care facilities operated by the applicant~~  
37 ~~within the prior two years.~~

38 (2) (A) *Prior to granting a license to operate a*  
39 *community care facility, the department shall thoroughly*  
40 *review the record of operation of any community care*

1 *facilities that are being operated at the time of the*  
2 *application, or that were previously operated, by the*  
3 *applicant.*

4 (B) No applicant shall be granted a license to operate  
5 an additional community care facility if it is determined  
6 by the department that the applicant has operated an  
7 existing community care facility in a manner that has  
8 significantly and consistently threatened the health,  
9 ~~safety, security, and quality of life of either the clients of~~  
10 ~~safety, and security of either the clients of~~ the facility or  
11 the residents of the neighborhoods and communities in  
12 which other facilities operated by the applicant are  
13 operated.

14 (3) The applicant shall be responsible for requesting  
15 and obtaining the required criminal record clearances.

16 (c) If the department for any reason is unable to  
17 comply with subdivision (a), it shall, within 60 days of  
18 receipt of the application described in subdivision (a),  
19 grant a provisional license to the applicant to operate for  
20 a period not to exceed six months, except as provided in  
21 subdivision (d). While the provisional license is in effect,  
22 the department shall continue its investigation and make  
23 a final determination on the application before the  
24 provisional license expires. The provisional license shall  
25 be granted, provided the department knows of no life  
26 safety risks, the criminal records clearances, if applicable,  
27 are complete, and the fire safety clearance is complete.  
28 The director may extend the term of a provisional license  
29 for an additional six months at the time of the application,  
30 if the director determines that more than six months will  
31 be required to achieve full compliance with licensing  
32 standards due to circumstances beyond the control of the  
33 applicant, and if all other requirements for a license have  
34 been met.

35 (d) If the department does not issue a provisional  
36 license pursuant to subdivision (c), the department shall  
37 issue a notice to the applicant identifying whether the  
38 provisional license has not been issued due to the  
39 existence of a life safety risk, lack of a fire safety clearance,  
40 lack of a criminal records clearance, failure to complete

the application, or any combination of these reasons. If a life safety risk is identified, the risk preventing the issuance of the provisional license shall be clearly explained. If a lack of the fire safety clearance is identified, the notice shall include the dates on which the department requested the clearance and the current status of that request, and the fire marshal's name and telephone number to whom a fire safety clearance request was sent. The department shall identify the names of individuals for whom criminal records clearances are lacking. If failure to complete the application is identified, the notice shall list all of the forms or attachments that are missing or incorrect. This notice shall be sent to the applicant no later than 60 days after the applicant filed the application. If the reasons identified in the notice are corrected, the department shall issue the provisional license within five days after the corrections are made.

(e) The department shall, immediately after January 1, 1993, develop expedited procedures necessary to implement subdivisions (a), (b), (c), and (d).

(f) The department shall, immediately after January 1, 1993, develop an appeal procedure for applicants under this section for both denial of licenses and delay in processing applications.

~~SEC. 6.—~~

*SEC. 4.* Section 1520 of the Health and Safety Code is amended to read:

1520. Any person desiring issuance of a license for a community care facility or a special permit for specialized services under this chapter shall file with the department, pursuant to regulations, an application on forms furnished by the department, which shall include, but not be limited to:

(a) Evidence satisfactory to the department of the ability of the applicant to comply with this chapter and of rules and regulations promulgated under this chapter by the department.

(b) (1) Evidence satisfactory to the department that the applicant is of reputable and responsible character.

1 The evidence shall include, but not be limited to, a  
2 criminal record clearance pursuant to Section 1522,  
3 employment history, and character references. If the  
4 applicant is a firm, association, organization, partnership,  
5 business trust, corporation, or company, like evidence  
6 shall be submitted as to the members or shareholders  
7 thereof, and the person in charge of the community care  
8 facility for which application for issuance of license or  
9 special permit is made.

10 ~~(2) (A) Within 10 days of receiving an application, the~~  
11 ~~department shall request from the applicable police or~~  
12 ~~sheriff's department a listing of the number and type of~~  
13 ~~police responses, any arrests of clients or staff, and any~~  
14 ~~other evidence of criminal activity resulting from the~~  
15 ~~operation of all community care facilities operated by the~~  
16 ~~applicant within the prior two years.~~

17 *(2) (A) Prior to granting a license to operate a*  
18 *community care facility, the department shall thoroughly*  
19 *review the record of operation of any community care*  
20 *facilities that are being operated at the time of the*  
21 *application, or that were previously operated, by the*  
22 *applicant.*

23 (B) No applicant shall be granted a license to operate  
24 an additional community care facility if it is determined  
25 by the department that the applicant has operated an  
26 existing community care facility in a manner that has  
27 significantly and consistently threatened the health,  
28 ~~safety, security, and quality of life of either the clients of~~  
29 ~~safety, and security of either the clients of~~ the facility or  
30 the residents of the neighborhoods and communities in  
31 which other facilities operated by the applicant are  
32 operated.

33 (c) Evidence satisfactory to the department that the  
34 applicant has sufficient financial resources to maintain  
35 the standards of service required by regulations adopted  
36 pursuant to this chapter.

37 (d) Disclosure of the applicant's prior or present  
38 service as an administrator, general partner, corporate  
39 officer or director of, or as a person who has held or holds  
40 a beneficial ownership of 10 percent or more in, any

1 community care facility or in any facility licensed  
2 pursuant to Chapter 1 (commencing with Section 1200)  
3 or Chapter 2 (commencing with Section 1250).

4 (e) Disclosure of any revocation or other disciplinary  
5 action taken, or in the process of being taken, against a  
6 license held or previously held by the entities specified in  
7 subdivision (c).

8 (f) A signed statement that the person desiring  
9 issuance of a license or special permit has read and  
10 understood the community care facility licensure statute  
11 and regulations that pertain to the applicant's category of  
12 licensure.

13 (g) Any other information that may be required by the  
14 department for the proper administration and  
15 enforcement of this chapter.

16 (h) In implementing this section, the department shall  
17 give due consideration to the functions of each separate  
18 licensing category.

19 (i) Failure of the applicant to cooperate with the  
20 licensing agency in the completion of the application shall  
21 result in the denial of the application. Failure to  
22 cooperate means that the information described in this  
23 section and in regulations of the department has not been  
24 provided, or not provided in the form requested by the  
25 licensing agency, or both.

26 ~~SEC. 7.—~~

27 *SEC. 5.* Section 1520.1 of the Health and Safety Code  
28 is amended to read:

29 1520.1. In addition to Section 1520, applicants for a  
30 group home facility license shall meet the following  
31 requirements:

32 (a) (1) During the first 12 months of operation, the  
33 facility shall operate with a provisional license. After eight  
34 months of operation, the department shall conduct a  
35 comprehensive review of the facility for compliance with  
36 all applicable laws and regulations and help develop a  
37 plan of correction with the provisional licensee, if  
38 appropriate. The department shall include in its review  
39 ~~a listing provided by the applicable local police or sheriff's~~  
40 ~~department of the number and type of police responses,~~

1 ~~any arrests of clients or staff, and any other evidence of~~  
2 ~~criminal activity resulting from the operation of the a~~  
3 ~~contact with the local police or sheriff's department for~~  
4 ~~any information that may relate to the operation of the~~  
5 facility. No applicant shall be granted a permanent  
6 license to operate a community care facility if it is  
7 determined by the department that the applicant has  
8 operated the facility in a manner that has significantly  
9 and consistently threatened the health, safety, ~~security,~~  
10 ~~and quality of life and security~~ of either the clients of the  
11 facility or the residents of the neighborhood and  
12 community in which the facility is operated. By the end  
13 of the 12th month of operation, the department shall  
14 determine if the permanent license should be issued.

15 (2) If the department determines that the group home  
16 is in substantial compliance with licensing standards,  
17 notwithstanding Section 1525.5, the department may  
18 extend the provisional license for up to an additional six  
19 months for either of the following reasons:

20 (A) The group home requires additional time to be in  
21 full compliance with licensing standards.

22 (B) After 12 months of operation, the group home is  
23 not operating at 50 percent of its licensed capacity.

24 (3) By no later than the first business day of the 17th  
25 month of operation, the department shall conduct an  
26 additional review of a facility for which a provisional  
27 license is extended pursuant to paragraph (2), in order to  
28 determine whether a permanent license should be issued.

29 (4) The department may deny a group home license  
30 application at any time during the term of the provisional  
31 license to protect the health, safety, ~~security, and quality~~  
32 ~~of life and security~~ of clients of the facility or the residents  
33 of the neighborhood and community in which the facility  
34 is operated. If the department denies the application, the  
35 group home shall cease operation immediately.  
36 Continued operation of the facility after the department  
37 denies the application or the provisional license expires  
38 shall constitute unlicensed operation.

39 (5) When the department notifies a city or county  
40 planning authority pursuant to subdivision (c) of Section

1 1520.5, the department shall briefly describe the  
2 provisional licensing process and the timelines provided  
3 for under that process, as well as provide the name,  
4 address, and telephone number of the district office  
5 licensing the facility where a complaint or comment  
6 about the group home's operation may be filed. All  
7 complaints and comments regarding the operation of the  
8 group home shall be reviewed by the department prior  
9 to granting a permanent license, in order to determine if  
10 the facility is being operated in a manner that protects the  
11 ~~health, safety, security, and quality of life of clients of the~~  
12 *health, safety, and security of clients of the* facility or the  
13 residents of the neighborhood and community in which  
14 the facility is operated.

15 (b) (1) After the production of the booklet provided  
16 for in paragraph (2), every member of the group home's  
17 board of directors shall, prior to becoming a member of  
18 the board of directors sign a statement that the board  
19 member understands his or her legal duties and  
20 obligations as a member of the board of directors and that  
21 the group home's operation is governed by laws and  
22 regulations that are enforced by the department, as set  
23 forth in the booklet. The applicant, provisional licensee,  
24 and licensee shall have this statement available for  
25 inspection by the department. For members of the board  
26 of directors when the booklet is produced, the licensee  
27 shall obtain this statement by the next scheduled meeting  
28 of the board of directors. Compliance with this paragraph  
29 shall be a condition of licensure.

30 (2) No later than May 1, 1999, the department, in  
31 cooperation with the Department of Justice and in  
32 consultation with group home providers, shall develop  
33 and distribute to every group home provider detailed  
34 information designed to educate members of the group  
35 home provider's board of directors of their roles and  
36 responsibilities as board members of a public benefit  
37 corporation under the laws of this state. The information  
38 shall be included in a booklet, which shall include, but not  
39 be limited to, all of the following:



1 (A) The financial responsibilities of a member of the  
2 board of directors.

3 (B) Disclosure requirements for self-dealing  
4 transactions.

5 (C) Legal requirements pertaining to articles of  
6 incorporation, bylaws, length of board member terms,  
7 voting procedures, board meetings, quorums, minutes of  
8 board meetings, and, as provided for in subdivision (f),  
9 board member duties.

10 (D) A general overview of the laws and regulations  
11 governing the group home's operation that are enforced  
12 by the department.

13 (c) All financial records submitted by a facility to the  
14 department, or that are submitted as part of an audit of  
15 the facility, including, but not limited to, employee  
16 timecards and timesheets, shall be signed and dated by  
17 the employee and by the group home representative who  
18 is responsible for ensuring the accuracy of the  
19 information contained in the record, and shall contain an  
20 affirmative statement that the signatories understand  
21 that the information contained in the document is correct  
22 to the best of their knowledge and that submission of false  
23 or misleading information may be prosecuted as a crime.

24 (d) An applicant, provisional licensee, or licensee shall  
25 maintain, submit, and sign financial documents to verify  
26 the legitimacy and accuracy of these documents. These  
27 documents include, but are not limited to, the group  
28 home application, any financial documents and plans of  
29 corrections submitted to the department, and time  
30 sheets.

31 (e) (1) On and after July 1, 2000, a group home shall  
32 have either representatives on its board of directors, as  
33 listed in paragraph (2), or a community advisory board,  
34 that meets at least annually.

35 (2) The representatives on the board of directors or  
36 the community advisory board members shall consist of  
37 at least the following persons:

38 (A) A member of the facility's board of directors.

39 (B) Members of the community where the facility is  
40 located.



1 (C) Neighbors of the facility.

2 (D) Current or former clients of the facility.

3 (E) A representative from a local law enforcement or  
4 other city or county representative.

5 (3) Nothing in this section shall preclude the members  
6 of a community advisory board from serving on more  
7 than one community advisory board or preclude the  
8 formation of a larger community advisory board designed  
9 to advise more than one facility located in a neighborhood  
10 or community as long as the membership of the advisory  
11 body is adjusted to meet the requirements of paragraph  
12 (2).

13 (f) Each group home provider shall schedule and  
14 conduct quarterly meetings of its board of directors. The  
15 ~~meetings shall be held in the community in which the~~  
16 ~~group home is located, and members of the community~~  
17 ~~advisory board, if any, shall be invited to attend all~~  
18 ~~meetings~~ *members of the community advisory body shall*  
19 *be notified of the times and locations of meetings and*  
20 *shall be permitted to attend in person and through*  
21 *conference calls.* During these quarterly meetings, the  
22 board of directors shall review and discuss licensing  
23 reports, reports from the community advisory board,  
24 financial and program audit reports of its group home  
25 operations, special incident reports, and any  
26 administrative action against the licensee or its  
27 employees. The minutes shall reflect the board's  
28 discussion of these documents and the group home's  
29 operation. The licensee shall make available the minutes  
30 of group home board of directors meetings to the  
31 department.

32 ~~SEC. 8. Section 1526.75 of the Health and Safety Code~~  
33 ~~is amended to read:~~

34 ~~1526.75. (a) It is the intent of the Legislature to~~  
35 ~~maintain quality resources for children needing~~  
36 ~~placement away from their families. If, during a periodic~~  
37 ~~inspection or an inspection pursuant to Section 1526.5, a~~  
38 ~~facility is found out of compliance with one or more of the~~  
39 ~~licensing standards of the department, the department~~  
40 ~~shall, unless an ongoing investigation precludes it, advise~~

1 ~~the provider of the noncompliance as soon as possible.~~  
2 ~~The provider shall be given the opportunity to correct the~~  
3 ~~deficiency.~~

4 ~~(b) The department shall implement a procedure~~  
5 ~~whereby citations for noncompliance may be appealed~~  
6 ~~and reviewed.~~

7 ~~(c) Nothing in this section shall preclude the~~  
8 ~~department from taking any action it may deem~~  
9 ~~necessary to ensure the safety of children and adults~~  
10 ~~placed in any facility or the residents of the neighborhood~~  
11 ~~and community in which the facility is located.~~

12 ~~SEC. 9.—~~

13 *SEC. 6.* No reimbursement is required by this act  
14 pursuant to Section 6 of Article XIII B of the California  
15 Constitution because the only costs that may be incurred  
16 by a local agency or school district will be incurred  
17 because this act creates a new crime or infraction,  
18 eliminates a crime or infraction, or changes the penalty  
19 for a crime or infraction, within the meaning of Section  
20 17556 of the Government Code, or changes the definition  
21 of a crime within the meaning of Section 6 of Article  
22 XIII B of the California Constitution.